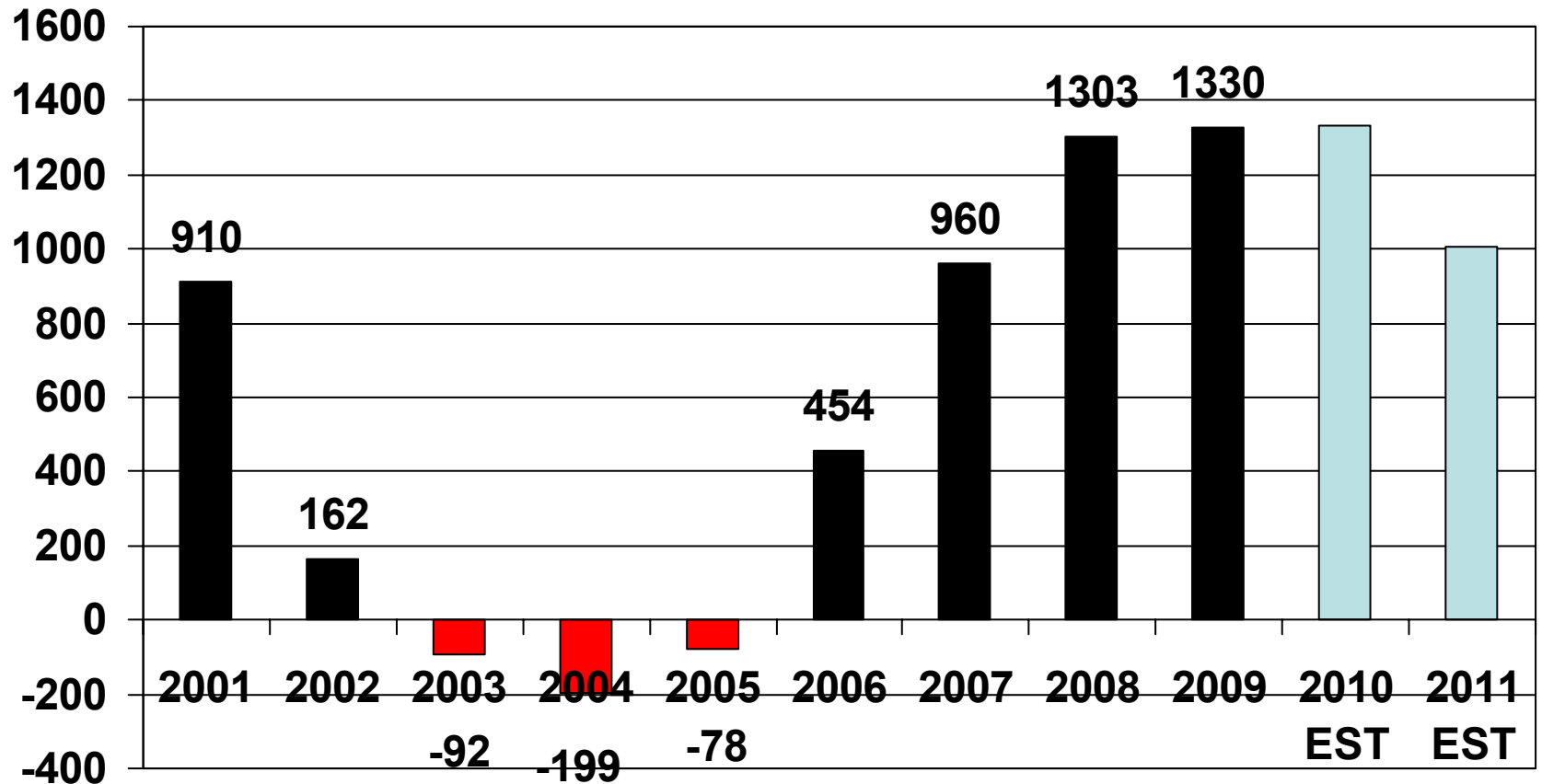


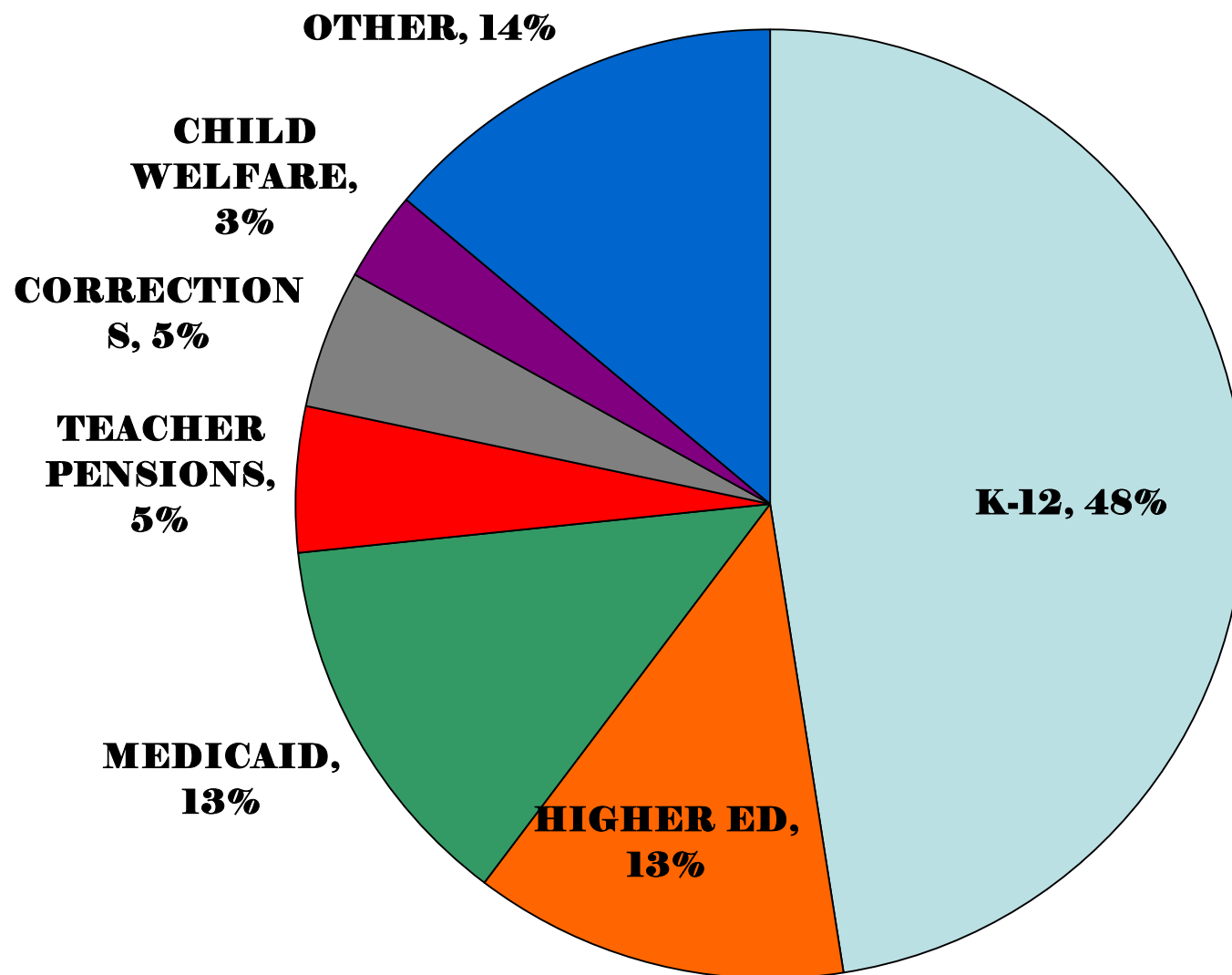
# REVENUE OVERVIEW

- **Total revenue is down 10.1% or \$633.5 million from May 2009 forecast**
- **Total revenue is down 11.4% or \$722.7 million from 2009 levels**
  - **These levels are larger than shortfalls in 2002 when much of the state's reserve balances dwindled away, and the state began making delayed payments to schools and local governmental units.**
- **Sales/Individual Income/Corporate Income taxes all seeing major reductions from FY2009 levels**
- **Only Gaming revenue is increasing, largely due to new Racino Wagering revenue**
- **December 15, 2009 revenue forecast reduces general fund revenues by \$1.039 billion for FY 2010 compared to May 2009 forecast.**

# Maintaining State Reserves (Cash Balance – Liabilities)

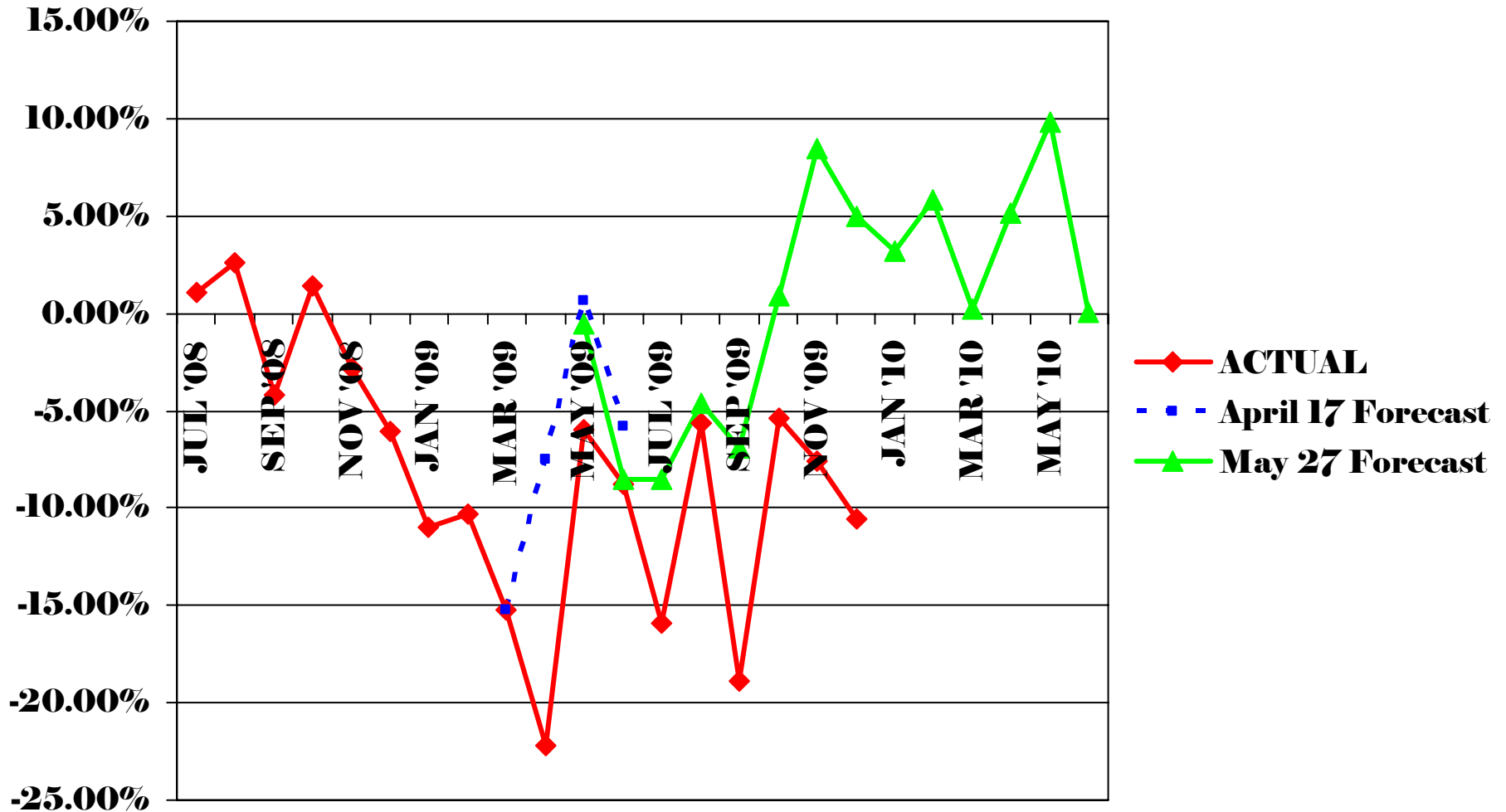


# FUND GENERAL EXPENSES FY 2010

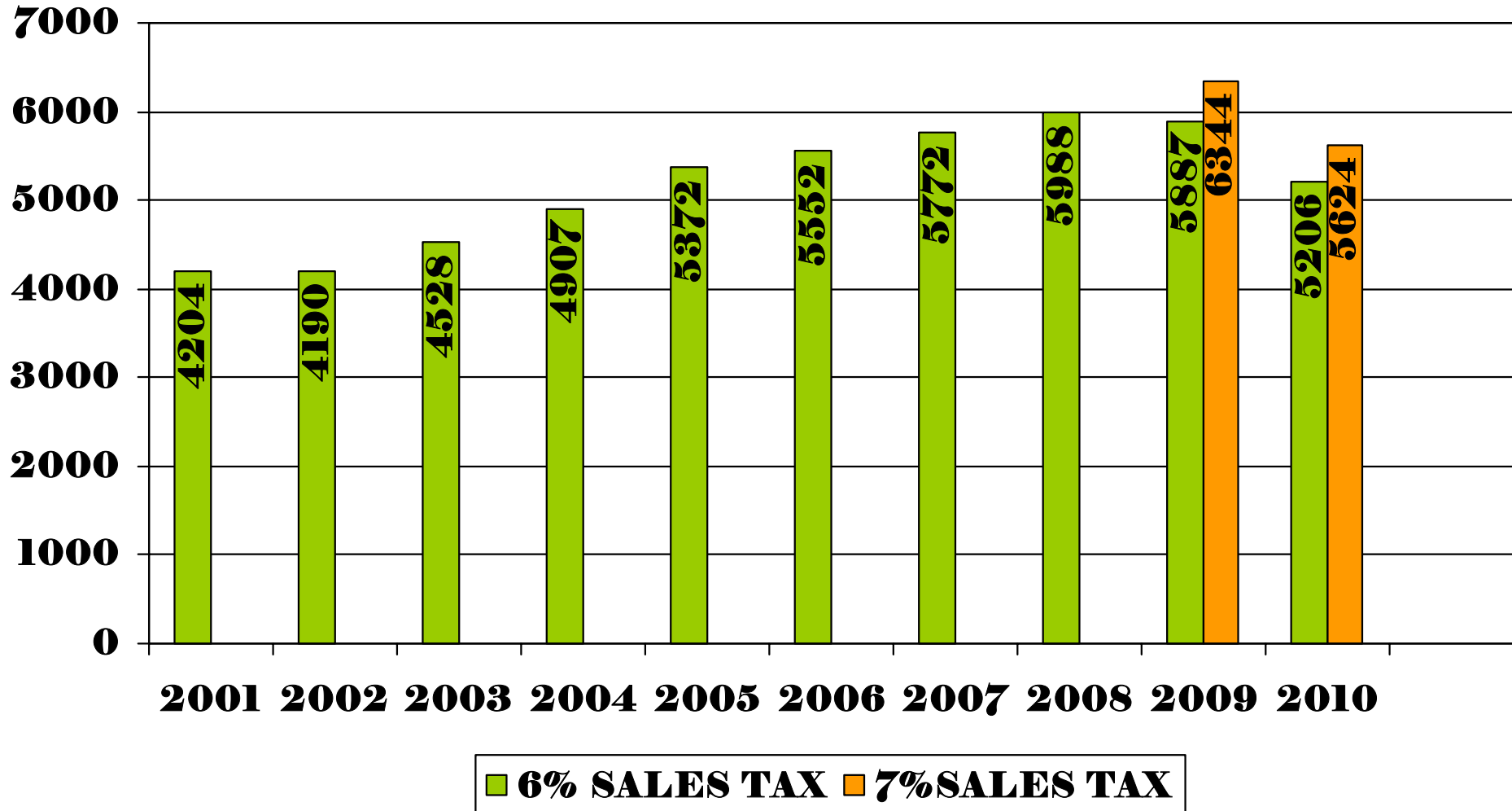


# YEAR TO YEAR REVENUE

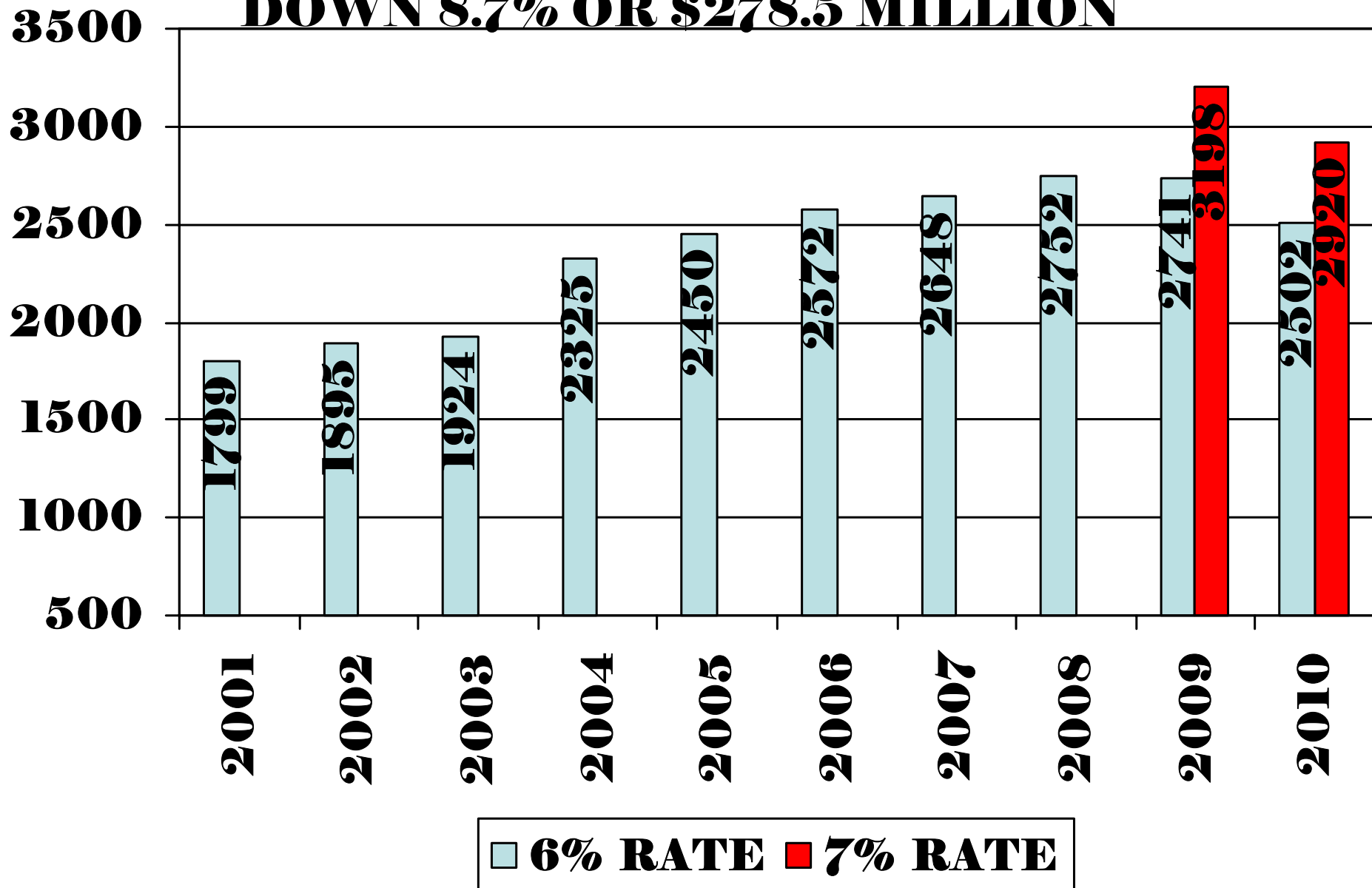
## 14 STRAIGHT MONTHS OF NEGATIVE REVENUE COLLECTIONS



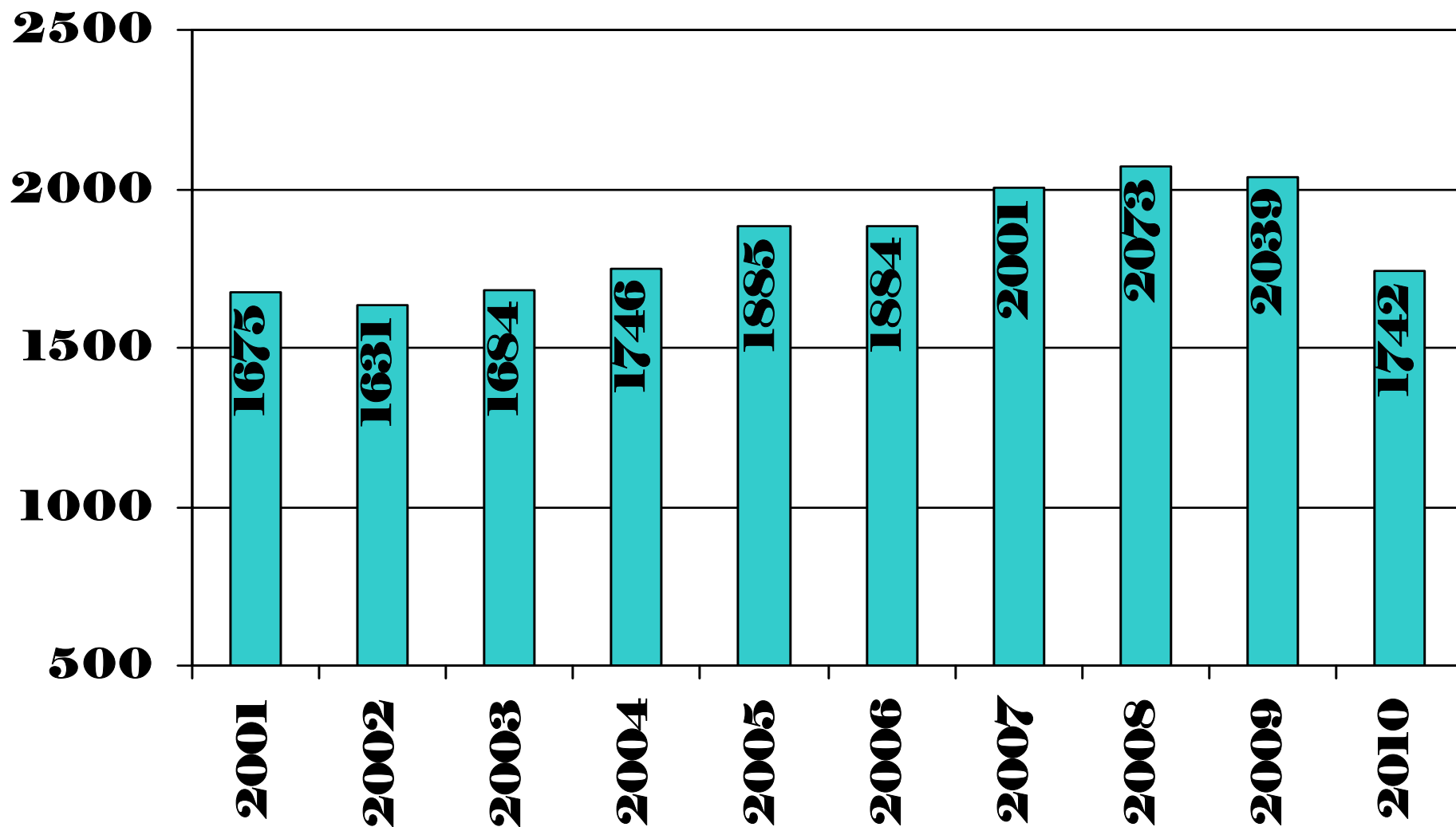
# **TOTAL REVENUE THROUGH DECEMBER COMPARABLE TO FY 2005 LEVELS**



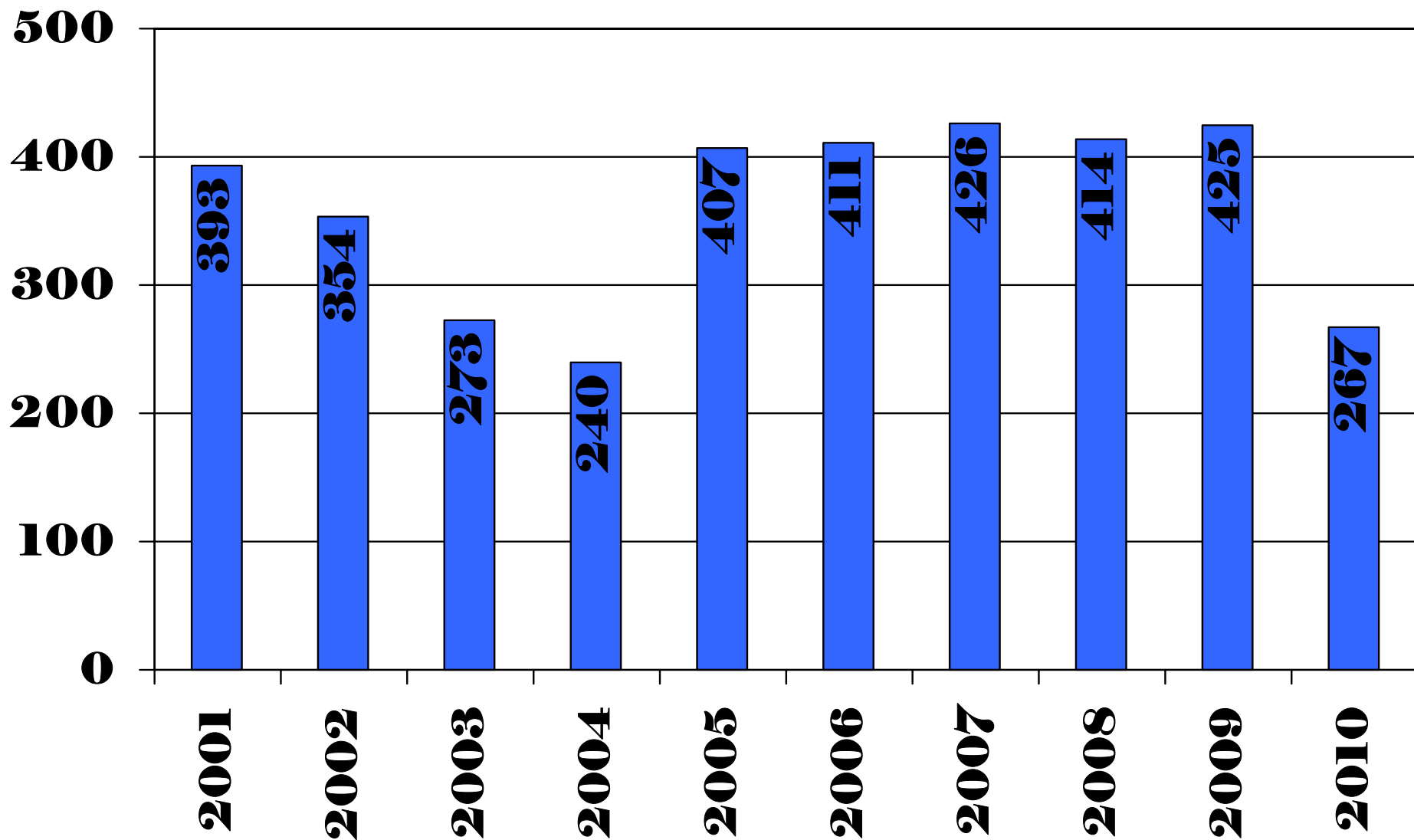
**SALES TAX  
THROUGH DECEMBER EACH YEAR  
DOWN 8.7% OR \$278.5 MILLION**



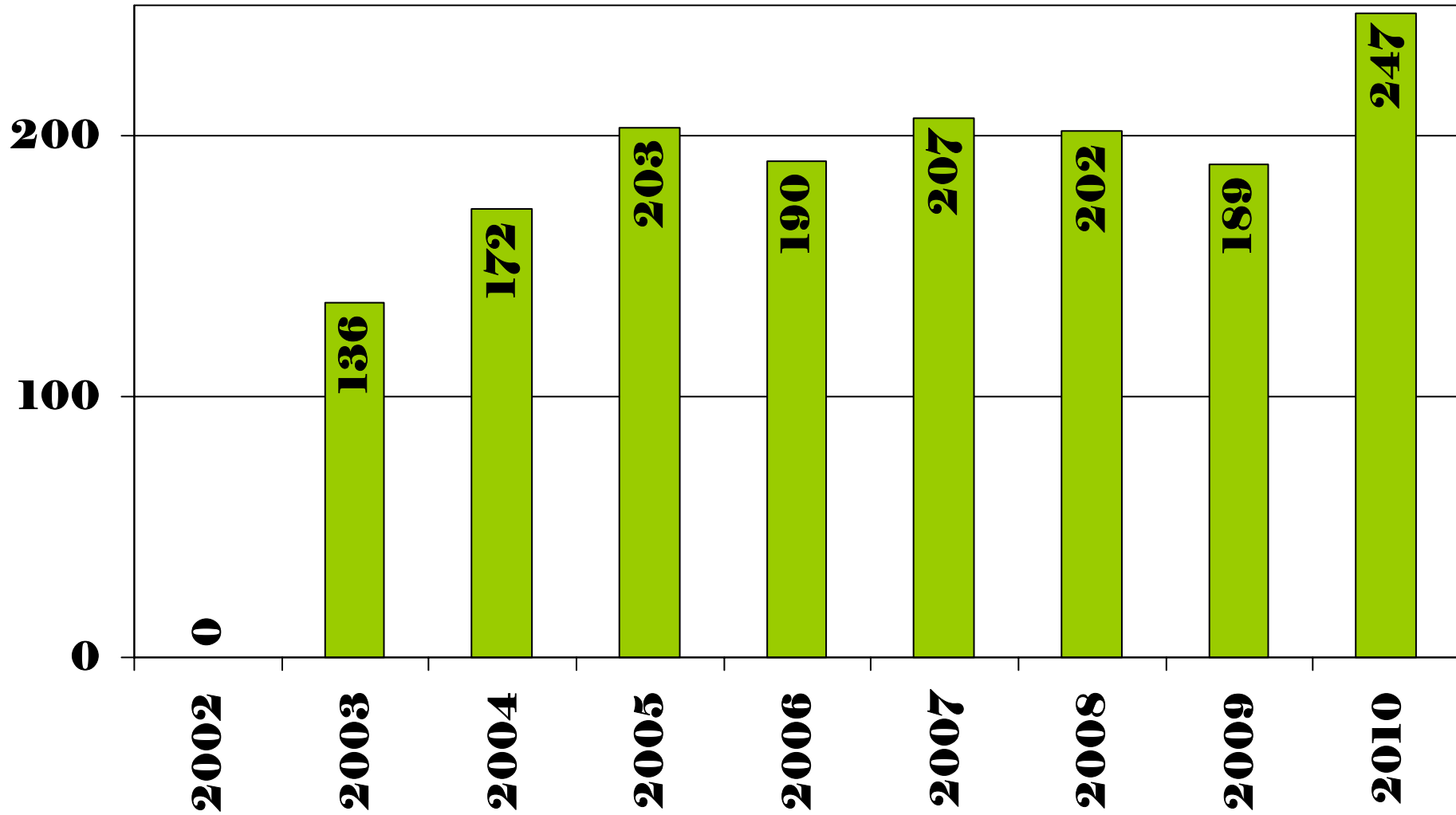
**INDIVIDUAL INCOME  
THROUGH DECEMBER EACH YEAR  
DOWN 15.3% OR \$314.1 MILLION**



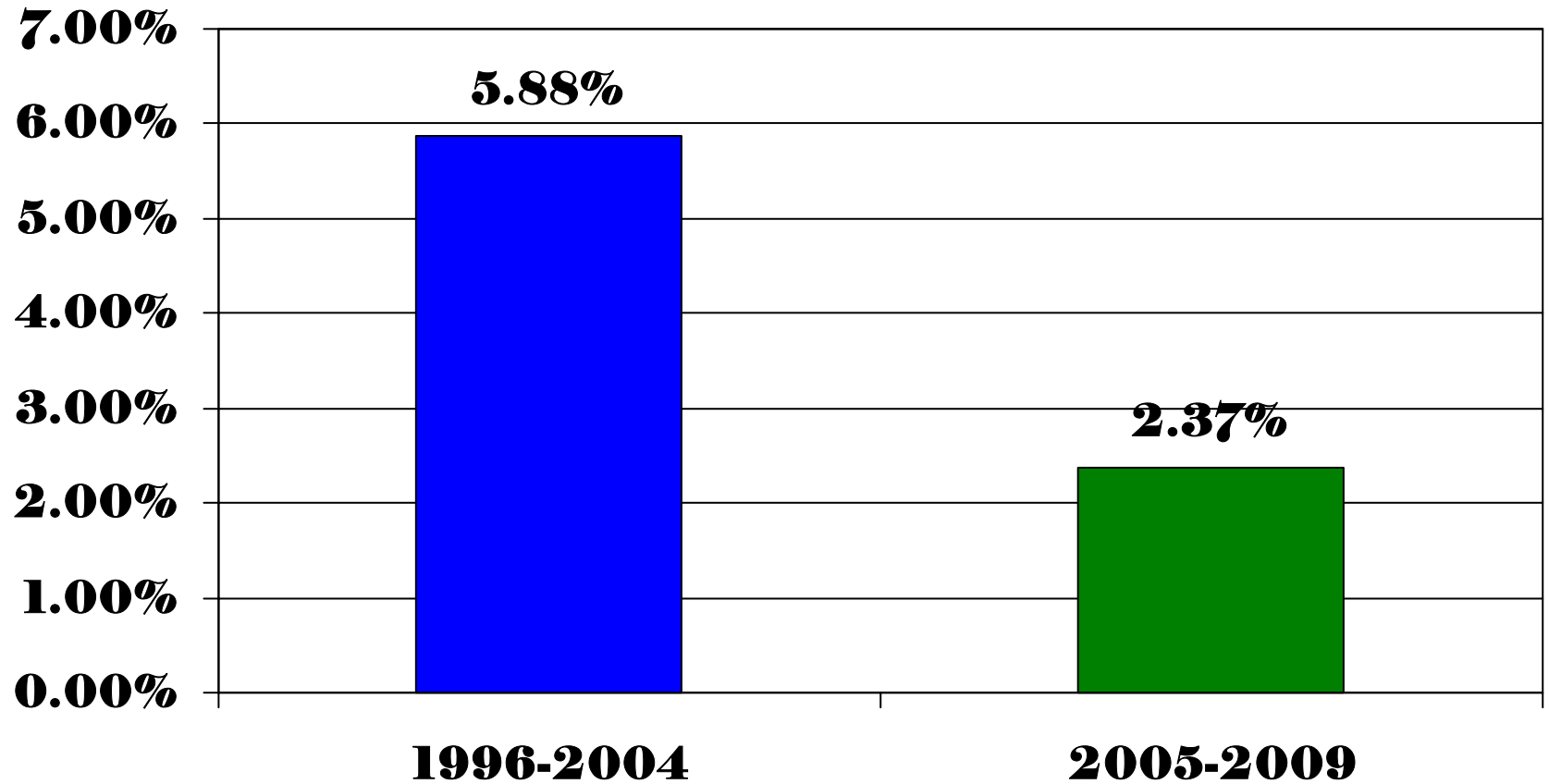
**CORPORATE INCOME TAX  
THROUGH DECEMBER EACH YEAR  
DOWN 37.2% OR \$158.1 MILLION**



**GAMING REVENUE  
THROUGH DECEMBER EACH YEAR  
UP 2.8% - PLUS \$53 NEW MONEY**



# Annual Expenditure Growth



# **GOVERNOR DANIELS IMPOSED MEASURES TO OFFSET REVENUE SHORTFALLS**

- **ALL STATE AGENCIES WILL REDUCE SPENDING BY 10% FROM THEIR PRIOR APPROVED BUDGET**
- **NO RAISES FOR STATE EMPLOYEES**
  - **SAME AS LAST YEAR**
  - **LAST TIME BACK-TO-BACK YEARS WITHOUT RAISES OCCURRED IN 2002 AND 2003**
- **STATE AGENCY CAPITAL PROJECTS DEFERRED**
- **GENERAL FUND SUPPORT TO PUBLIC COLLEGES AND UNIVERSITIES REDUCED \$150 MILLION – 6% OF OPERATING EXPENSES**
- **\$297 REDUCED FROM K-12 ALLOCATIONS – 3.5%**
- **STATE MATCHING CONTRIBUTION TO EMPLOYEES DEFERRED COMPENSATION RETIREMENT PLAN SUSPENDED**
- **MEDICAID REIMBURSEMENTS TO PROVIDERS REDUCED**
- **COST SAVINGS INITIATIVE PACKAGE WILL BE DELIVERED TO THE GENERAL ASSEMBLY**
- **TOTAL COSTS SAVINGS FROM ACTIONS TAKEN AMOUNT TO BETWEEN \$756 - \$856 MILLION OVER THE NEXT 18 MONTHS**